

MSME DEVELOPMENT INSTITUTE, MUMBAI

Minutes of State Level Advisory Board (SLAB) Meeting held on 05th September, 2015

The State Level Advisory Board Meeting for the State of Maharashtra was held on 5th September, 2015 under the Chairmanship of Dr. Surendra Kumar Bagde, IAS, Secretary (MSI), Government of Maharashtra at the Conference Hall in the O/o. Secretary (MSI), at 1430 hrs.

The list of members / invitees present is annexed at Annexure – 1.

Proceedings:

1. The Member Secretary & Director, MSME-DI, Mumbai welcomed the Hon'ble Chairman and the Members and Invitees of the SLAB.
2. There was a brief introduction of the Members / Invitees present.
3. The Member Secretary briefed the Objectives of the SLAB and sought permission of the Chair to take up the agenda-wise issues.
4. **(Agenda Point 1 of SLAB 2015)** : The Minutes of the SLAB Meeting held on 27.05.2014 were placed for confirmation / comments, if any. The minutes were confirmed.
5. **(Agenda Point No.2)** The Member Secretary briefed the Action Taken Report on decisions taken in the last meeting. While discussing the Action Taken Report, President, DICCI, suggested that 358 items reserved for exclusive purchase from MSEs be de-reserved. He was submitting the same in the context of some PSUs getting confused that the PSUs had to procure only these items from MSEs and achieve the target of 20% in Public Procurement Policy. However, Dy. CMM(WR) and Senior Procurement Manager, HPCL, informed that they were well aware of the policy and they had not come across such type of a confusion.

The Chief General Manager, NSIC, requested participation of SC / ST Entrepreneurs in Tenders and sought help of State Director of Industries in the matter. While explaining the importance of inspection carried out by NSIC, the Chairman observed that the inspection / registration with NSIC was not in line with MSME Development Act 2006 or Public Procurement Policy announced by Government of India. As per the extent provisions, EM Part II is the valid document for getting the benefits envisaged in the policy. He advised CGM, NSIC to take up this issue with the Managing Director, NSIC. The Chairman expressed his desire to write D.O. Letter to the Managing Director, NSIC and Secretary, MSME, in this connection.
(Action by: NSIC & State Directorate of Industries)

There was a point related to framing policy for sanction of separate credit limit to MSME Units. RBI has taken the cognizance of various representations including discussions in previous SLAB and issued a Circular No. RBI/2015-16/160 / FIDD.MSME & MFS.BC No.60/06.002.31/2015 dtd. 27.08.2015 which was made available to the Members by Asstt. General Manager, Reserve Bank of India.

6. **(Agenda Point No.3.1)** : Additional Industrial Advisor, Ministry of MSME, Govt. of India, desired MSME-Testing Centre to be enlisted as a Testing Laboratory for Testing of Supplies to various State Government Organisations, State Public Sector Undertakings etc. He further submitted that such provisions must be included in the G.R. / Circular of Government of Maharashtra. The Chairman advised him to submit a copy of G.R. vide which such provisions i.e. mentioning of Govt. Laboratories had been made mandatory.
- The Chairman advised AIA to submit a Study Report on availability of NABL accredited Laboratories in the State of Maharashtra, plans for creating new lab facilities and State funding, He further advised to organize awareness campaigns in all districts for testing facilities.
(Action by : MSME Testing Center, Mumbai)
7. **(Agenda Point 3.2)** : MSME-DI, Nagpur requested participation of Senior Railway Authorities in their Vendor Development Programmes. They were not satisfied with the participation of local offices. The Dy. CMM (WR) informed that they would take appropriate action if they received proposal at their end.
(Action by : MSME-DI, Nagpur)
8. **(Agenda Point 3.3)** : The submission of MSME-DI, Mumbai to intimate vacant infrastructure in MIDC, available for setting up of industries was taken on record.
(Action by : MIDC)
9. **(Agenda Point 4.1 & 4.2)** : New initiatives of IDEMI, Mumbai & IGTR, Aurangabad were orally briefed by the Managing Directors of both the organisations.
10. **(Agenda Point 5)** : The General Secretary, COSIA Thane, submitted the points of COSIA before the SLAB which were taken on record. The Chairman advised to organise Skill Development Training Programmes at Aurangabad and directed COSIA to be in touch with MASSIA, Aurangabad, for the Project.
(Action by : COSIA & MASSIA)
11. **(Agenda Point 6)** : The points submitted by Akola Industries Association were represented by COSIA as Akola Industries Association, was their member. The point of difficulties in paying sales tax due to mis-match of annexure J-1 & annexure J-2 was found to be very important as all representatives of different industry associations reacted sharply on the matter. The Chairman advised for calling a separate meeting with the Commissioner of Sales Tax. He wanted a detailed representation from Industry Associations, before calling a meeting with the Sales Tax Commissioner.
(Action by : COSIA, DICCI, MASSIA, MACCIA)
12. **(Agenda Point 7)** : The President, MASSIA, Aurangabad, submitted the Agenda Points before the SLAB. The Chairman noted the Agenda Points.
13. **(Agenda Point 8)** : The Member of FICCI, submitted that the Agenda point submitted by them were for record purpose.
14. **(Agenda Point 9)** : The representative of All India MSME Association was absent.

15. **(Agenda Point 10)** : Any other points submitted with the permission of the Chair.

President, BSSIA, Mumbai mentioned:

- 15.1 ESIC limit for coverage of employees, may be raised to Rs.25,000/- per month.
- 15.2 There should be a dedicated Laghu Udyog TV Channel for MSME news.
- 15.3 On 15th & 26th January, 2015, Laghu Udyog float may be organised in New Delhi.
- 15.4 The slabs in the Profession Tax may be revised for which a detailed note was sought by the Chairman from BSSIA.
(Action by : BSSIA, Mumbai)
- 15.5 There should be representative of MSME Association on Department related Railway Users Committee.
- 15.6 There was an insistence from Inspectors of Directorate of Industrial Safety and Health to switch over to Shops & Establishment Licences, where the number of employees were less than 10. According to BSSIA, the units were losing the status of Industry, which was resulting in downgrading their profile.

15.5 **General Secretary, COSIA mentioned:**

1. The clause with reference to Mathadi Workers Act which causes impediments in smooth working should be modified.
2. School / Colleges dropouts, who join MSME as workers / employees learn the Skill and get employed in large companies. The MSME Sector works as a Training Institution and lose skilled manpower. MSMEs may be permitted to appoint these dropouts as 'apprentice'. These dropouts may be inducted in MSMEs in Summer Internships.
3. The supplies to Govt. Departments should be exempted from Taxes.

15.6 **DICCI mentioned:**

1. The MSMEs supplying to Large Companies are facing issues with Sales Tax Authorities in cases where the Large Companies do not pay TDS etc with the department and MSMEs have to pay the taxes & fines twice due to non-compliance of providing 'C' Form by the Large Companies / Purchasers.

15.7. **India SME Forum mentioned :**

1. Mis-use of EM Part II by large units to avail the benefits of MSE Units. There is no provision to ascertain actual investment / revision of investment in plant & machinery periodically.

15.7 **All Associations:**

Common Issue: The Use of Tally Software by Chartered Accountants & their insistence to MSMEs to use the same software for accounting purpose which was a costly & MSMEs had to incur expenditure every year. They were seeking solution of cloud computing etc. from the State Government.

The Chairman, in his concluding remarks said that, all the issues could not be taken up immediately. He further said that the pending issues can be taken in the next meeting. During the meeting, the Chairman mentioned that there was going to be policy changes in the State wherein some of the issues would be addressed. The Chairman, advised Member Secretary to prepare a short note with four focus points, discussed in the meeting, which could be attended within a period of three months.

The meeting concluded with the vote of thanks.

MSME DEVELOPMENT INSTITUTE, MUMBAI

State Level Advisory Board (SLAB) Meeting held on 05th September, 2015

ATTENDANCE SHEET

SI	Name of the Officer / Representative	Designation & Organisation
01	Dr. Surendra Kumar Bagde, IAS, Secretary (MSI), Govt. of Maharashtra	Chairman
02	Shri Shivaji Daund , IAS, Managing Director, MSSIDC	Member
03	Shri S.Vijay Kumar Addl.Industrial Advisor, MSME-TC, Mumbai	Member
04	Shri S.V.Rasal, Managing Director, IDEMI, Mumbai	Member
05	Shri H.D.Kapse, Managing Director, IGTR, Aurangabad	Member
06	Shri D.R.Johari, Asstt Director, MSME-DI, Nagpur	Member
07	Shri Sanjay Bhondekar, General Manager, NSIC, Mumbai	Member
08	Dr.Arundhati Chattopadhyay, Dy.Director, NPC, Mumbai	Member
09	Shir A.Ahmed ADO, KVIC, Mumbai	Member
10	Shri R.T.Meshram, Ex.Engineer, MIDC, Mumbai	Member
11	Shri S.R.Bodare, State Directorate of Industries, GoM	Member
12	Shri R.W.Salunke AGM, FRDD, RBI, MRO, Mumbai	Member
13	Shri Rajgopalan DGM(Credit), Bank of Maharashtra	Member
14	Shri Ramesh Jagtap AGM, SLBC, Bank of Maharashtra	Member
15	Shri Rajesh Kumar Dy.General Manager, SIDBI	Member
16	Shri Shailesh K. Ramteke Chief Manager (Purchase), HPCL	Member
17	Shri V. Arun Kumar, Dy.CMM, Western Railway	Member
18	Shri Milind Kamble, Chairman, DICCI	Member
19	Shri Pradeep Ahire FICCI	Member
20	Shri Bankim Mistry, President, BSSIA, Mumbai	Member

21	Shri Balaji Shinde, President, MASSIA Aurangabad	Member
22	Shri K. Nandakumar Chairman, CII (WR), Sub Committee MSME	Member
23	Shri Purushottam Agwan Hon.Gen. Secretary, COSIA, Thane	Member
24	Shri Santosh Manlecha Sr.Vice President, MACCIA	Member
25	Ms.Sushma Mothania, India SME Forum	Member
26	Ms.Renu Verma Director, AIAI, Mumbai	Invitee
27	Ms.Neeta Kolhatkar, World Trade Center, Mumbai	Invitee
28	Shri R.B.Gupte Director, MSME-DI, Mumbai	Member Secretary
	Others Present	
29	Shri T.R.Sharma, Dy.Director, MSME-TC, Mumbai	Accompanying Officials
30	Shri Santosh Kamble, DICCI	Accompanying Officials
31	Shri Akshay Gaikwad, DICCI	Accompanying Officials
32	Arun Khobragade DICCI	Accompanying Officials
33	Shri D.M.Shah, Asstt.Director	MSME-DI, Mumbai
34	Shri Abhay Daptardar Asstt.Director	MSME-DI, Mumbai

LEAVE OF ABSENCE

SI	Name of the Officer / Representative	Designation & Organisation
1	Dr.Avinash Dalal-Nallawala, President, All India MSME Association	Member